M

DEVELOPMENT (1947) Department.

MS SERIES.

G.O. No. 4991

Dated 29-09-1947

[Despatch Abstract.]

Cooperative Societies - ~~Remit~~ ~~Rent~~ Land Mortgage Banks - Deputy Registrars and Cooperative Sub-Registrars - Recovery at cost - Resolution of Provincial Cooperative conference held in September 1947 - Orders passed.

Copy of Extract from letter No.ACD.1489/AC.144-47 dated 23rd August 1947 from The Reserve Bank of India to Registrar of Cooperative Societies, Madras.

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Financial Accommoddation to Provincial Cooperative Banks.

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2. Financial accommodation is available from the Reserve Bank to the Provi cial Cooperative Banks under the following heads.

(c). Loans and advances for periods not exceeding 90 days against debentures of recognized land mortgage banks which are declared trustee securities and which are in the opinion of the Reserve Bank readilty marketable - Section 17 (4) (a).

So far, we have abstained from giving accommodation against debentures of land mortgage banks as they were not considered freely marketable. The issue was, however, re-examined by us and on making the necessary enquiries in the local market, we have been able to satisfy ourselves that the debentures issued by the Madras Cooperative Central Land Mortgage Bank may be deemed as marketable. We will be agreeable to consider favourably the granting of accommodation against them upto 80 per cent of their market value in any emergency.

/True Extract/

Sd...
FOR REGISTRAR.

DEVELOPMENT DEPARTMENT.

OLM.NO.90813BIII/48-2 d/8-9-1948.

Sub: Cooperative Societies - Land Mortgage Banks - Deputy Registrars and Cooperative Sub-Registrars - Recovery of cost - Resolution of conference of (Primary) Land Mortgage Mortgagd banks.
Ref: From the R.C.S.Lr.No.Rc.65396/483 d/16-8-48.

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The Government regret that they must decline to reconsider their decision in G.O.No.4991 (Ms) Development dated 29-10-1947. The Registrar of Cooperative Societies is requested to inform the Madras Cooperative Central Land Mortgage Bank Limited accordingly.

Sd..
27-8-1948.

To
The Registrar of Cooperative Societies.
Copy to Stick mfile on Local Municipal Endowment Boards.

/True Copy/

S. Jayaraman 6/5
OFFICE ASSISTANT.
MADRAS RECORD OFFICE

KP/23/12/-.

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COOPERATIVE DEPARTMENT.

From

Thiru Rao Bahadur
J.C.Ryan M.A.,
Registrar of Cooperative Societies.
M A D R A S.

To

The Secretary to Government,
Development Department,
Fort St.George, M A D R A S.

RC.NO.16442/47-J dated 29-9-1947.

Sir,

Sub: Conference - Cooperative Conference held at Madras on 12th and 13th September 1948 - Subject IX - Land Mortage Banks - resolutions - remakrs -submitted.

Ref ------

I submit herewith a copy of resolution No.9 passed by the Cooperaive Conference held on 12th and 13th September 1947 at Madras On "[illegible] Cooperative Land Mortage Banks" marked as Subject No.IX in the agenda.

Subject IX. Cooperation Land Mortgage Banks.

Resolution No.(9)

(a) "the guarantee now given to the Central Land Mortage Bank debentures must continue in the interests of agriculturists and Government should guarantee additional debentures that may be fleated. The question of withdrawal of the guarantee should be dropped".

(b)"This Conference has read the Reserve Bank of India's letter No.A.C.D.1489/A.C.144-47 dated 23-8-1947 to the Secretary of the Madras Provincial Cooperative Bank and to the Registrar of Cooperative Societies, Madras and Recommends that the loans issued on the security of the Central Land Mortgage Bank's debentures should not be restricted to an emergency but that these debentures should be treated on a par with Government securities in regard to fleatation and grant of advances".

(c)"The question of the recovery of the cost of the three Deputy Registrars for Land Mortgage Banks and their staff should be reconsidered by Government and no such cost should be recovered by them. The question of the recovery of the cost relating to the Cooperative Sub-Registrars for Land Mortgage Banks may be reconsidered in 1950 as already ordered by Government".

2. Resolution No. 9 (a). relates to the continuance of the guarantee of Government of the debentures issued by the Madras Cooperative Central Land Mortgage Bank Limited, as a permanent measure. I am submitting a separate report on this with reference to Government Memorandum No. 97849/B-III/46 dated 19-12-1946.

3. Resolution No.9 (b). The conference has resolved that the restriction imposed by the Reserve Bank in its letter No. ACD 1489AC/44-47 dated 23-8-1947 may be waived in the matter of advancing loans on the security of the Central Land Mortgage Bank Debentures. The relevant portion of the letter of the Reserve Bank of India is enclosed for reference. I am calling for the remarks of the Madras Cooperative Central Land Mortgage Bank. I shallwrite to the Reserve Bank of India in the matter.

Resolution No. (9)(c): This resolution deals with two points: (1) The question of recovery of the cost of the Deputy Registrars for Land Mortgage Banks and their staff should be reconsidered by Government and (ii) The question of the recovery of the cost of the Cooperation Sub-Registrars, Land Mortgage Banks may be reconsidered. As regards the first point, the cost of the Deputy Registrars amd their staff is being recovered in pursuance of orders of Government in G.O.914 Development Departmen dated 29-6-1935 as amplified in G.O.No.1466 Development Department dated 22-10-1935. The Madras Cooperative Central Land Mortgage Bank represented many times to Government the need to waive the cost but Governmen did not accpet it. I, however, refer to the representations made by the Bank during the last three years. In 1945 the Central Land Mortgage Bank submitted a memorandum to His Excellency the Governor requesting the Government to waive the recovery of the cost of Deputy Registrars and the Cooperative Sub Registrars, Land Mortgage Banks. This was turned down by Government vide their memorandum 60934 B/45-1 dated 6-10-1945. In 1946, the Central Land Mortgage Bank waited on deputation on the Hon'ble Minister Sri V.V.Giri, to my letter No.10660/46 J dated 18-7-1946 and 6-1-1947 with reference to their memorandum No. 31859-B/46-3 dated 8-7-1946 and 11-12-1946 respectively. I also invite the attention of Government to my letter No.16674/46 J dated 3-3-1947 and the order of Government on this question.

3. Regarding the second point i.e., the question of recovering of cost of Cooperative Sub-Registrars, this will be taken up in 1950 when the present orders contained in G.O.2029 Development Department dated 7-5-1947 are about to expire. No action is called for at present on the resolution.

Sd...

FOR REGISTRAR.

/True Copy/

GOVERNMENT OF MADRAS.
ABSTRACT.

COOPERATIVE SOCIETIES - Land Mortgage Banks - Deuty Registrars and Cooperaive Sub-Registrars - Recovery of cost - Resolution of Provincial Cooperative Conference held in Septamber 1947 - Orders passed.

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DEVELOPMENT DEPARTMENT.

G.O.MS.NO.4991. DATED 29-10-1947.

Read:-

G.O.(ms)No.2029, Development, d/ 7-5-1947.
From the R.C.S.,Lr.No.Rc.16442/47-J d/29-9-1947.

ORDER:

In view of the orders issued in G.O.Ms.No.2029, Development dated 7-5-1947, the Government do not propose to reopen the question till 31-3-1950.

(BY ORDER OF HIS EXCELLENCY THE GOVERNOR).

Sd.. 29-10-47.

To
The Registrar of Cooperative Societies.
Copy for Stock File on Local Municipal Boards.

/True Copy/

OFFICE ASSISTANT.
MADRAS RECORD OFFICE